



BOARD OF EQUALIZATION

**PROPERTY TAX COMMITTEE MEETING MINUTES**

HONORABLE KATHLEEN CONNELL, COMMITTEE CHAIR

450 N STREET, SACRAMENTO

NOVEMBER 12, 2002, 1:30 P.M.

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**ACTION ITEMS & STATUS REPORT ITEMS****Agenda Item No: 1****Title:** Work plan to implement 2002 Property Tax Legislation.**Issue/Topic:**

Should the Board affirm the proposed plan to implement 2002 property tax legislation?

**Committee Action/Recommendation/Direction:**

The Committee approved staff's work plan to implement 2002 property tax legislation.

**Agenda Item No: 2****Title:** Guidelines for the Assessment of Billboards**Issue/Topic:**

Should the Board adopt guidelines for the assessment of billboard properties to clarify, among other things, that:

1. In applying the income approach to value, operating income may be used in estimating the income to be capitalized?
2. The presence of a special use permit to operate a billboard may properly contribute to a fair market value assessment of the billboard property?

## Committee Discussion:

Staff spoke in support of its position that operating income may be used in estimating the income to be capitalized in applying the income approach to value.

A member of the Los Angeles County Assessor's staff spoke in support of staff's recommendation to issue guidance that allows assessors to consider all approaches to value.

Industry spoke in support of its position that operating income should not be used to estimate the income to be capitalized when determining fair market value for billboard properties.

Industry and staff spoke to their respective positions about the issue of assuming the presence of the special use permit needed to operate a billboard property. Both industry and staff agreed that the presence of the special use permit must be assumed. Industry stated that staff's proposed language for the guidelines was acceptable.

## Committee Action/Recommendation/Direction:

The Committee voted to recommend that the Board adopt guidelines with industry's proposed language on operating income (Issue 1), and staff's proposed language on assuming the presence of a special use permit (Issue 2).

Approved: /s/ Marcy Jo Mandel for  
Kathleen Connell, Committee Chair

/s/ James E. Speed  
James E. Speed, Executive Director

BOARD APPROVED

At the 11/13/02 Board Meeting

/s/ Deborah Pellegrini  
Deborah Pellegrini, Chief  
Board Proceedings Division